

## **Program B: Resource Services**

### **PROGRAM AUTHORIZATION:**

R.S. 36:101 et. seq.; R.S. 25:315 et. seq.; R.S. 33:4702 (H); R.S. 51:941 et seq.; R.S. 51:2302; R.S. 47:3201-3205; R.S. 30:142D.5(a-c); R.S. 47:4301-4306; R.S. 47:34; R.S. 47:1951.1-1951.3; R.S. 39:991-997; R.S. 47:6005; R.S. 46:813-814; R.S. 17:3389; R.S. 51:1781-1787; R.S. 47:1121-1128; R.S. 51:938.1; Art. VII, Part II, Section 7, as amended by Acts 6, 7, 8, 9 and 12 of the 2001 Regular Legislative Session.

### **Program Description**

The mission of the Resource Services Program is to create value for existing, expanding, and new businesses in Louisiana by providing quality assistance through marketing and administering tax, financial and other assistance products.

The goals of the Resource Services Program are:

1. Provide quality administrative services for resource service products.
2. Raise awareness of resource service programs and products.
3. Provide products that meet cluster client needs and streamline business access to resource service products.
4. Support cluster-based economic development.

The Resource Services Program administers the department's financial assistance and capital programs for Louisiana businesses by providing matching funds, venture capital, and issuing loan guarantees and other financial mechanisms, as well as the Workforce Development and Training Program, and the Economic Development Award Program through cooperative agreements with private companies and public agencies. All of these programs are administered under the review and approval of the Louisiana Economic Development Corporation. The Program also administers various tax exemption programs under the review and approval of the State Board of Commerce and Industry. The Resource Services Program has four activities: Workforce Development and Training, Economic Development Award Program, Louisiana Economic Development Corporation and Business Incentives.

The Workforce Development and Training activity provides funding for customized workforce training programs in order to improve the competitiveness and productivity of Louisiana's workforce and business community and to assist Louisiana businesses in promoting economic development.

The Economic Development Award Program/Louisiana Opportunity Fund activity provides grants for publicly-owned infrastructure to assist industrial or business development projects that promote economic development and that require state assistance.

The Financial Assistance (LEDC) activity assists businesses through administration of loan, investment, and grant programs designed to meet the need for flexible, innovative capital.

The Business Incentives activity assists businesses through the administration of tax incentive programs.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2001-2002	ACT 13 2002-2003	EXISTING 2002-2003	CONTINUATION 2003-2004	RECOMMENDED 2003-2004	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$9,202	\$73,534	\$53,534	\$53,669	\$39,004	(\$14,530)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	636,628	772,951	772,951	709,497	701,593	(71,358)
Statutory Dedications	10,853,553	17,782,730	30,230,842	17,855,856	17,790,880	(12,439,962)
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<b>\$11,499,383</b>	<b>\$18,629,215</b>	<b>\$31,057,327</b>	<b>\$18,619,022</b>	<b>\$18,531,477</b>	<b>(\$12,525,850)</b>
EXPENDITURES & REQUEST:						
Salaries	\$863,453	\$985,778	\$985,772	\$1,002,108	\$940,272	(\$45,500)
Other Compensation	10,042	0	0	0	0	0
Related Benefits	152,187	179,896	191,945	199,967	190,328	(1,617)
Total Operating Expenses	75,737	154,648	108,655	110,070	94,125	(14,530)
Professional Services	40,000	0	0	0	0	0
Total Other Charges	10,356,330	17,298,243	29,760,305	17,306,877	17,306,752	(12,453,553)
Total Acq. & Major Repairs	1,634	10,650	10,650	0	0	(10,650)
TOTAL EXPENDITURES AND REQUEST	<b>\$11,499,383</b>	<b>\$18,629,215</b>	<b>\$31,057,327</b>	<b>\$18,619,022</b>	<b>\$18,531,477</b>	<b>(\$12,525,850)</b>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	18	20	20	20	19	(1)
Unclassified	1	1	1	1	1	0
<b>TOTAL</b>	<b>19</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>(1)</b>

## SOURCE OF FUNDING

This program is funded with State General Fund, Fees and Self-generated Revenues and Statutory Dedications. The Fees and Self-generated Revenues are due to certain specified fees collected from businesses applying for business incentives granted by the department. Statutory Dedications are derived from the Louisiana Economic Development (LED) Fund, based upon Act 34 of the 2001 Regular Session. This fund includes cash from investments and vendor's compensation from the Department of Revenue and the Department of Public Safety. Acts 7, 8 and 9 of the 2001 Regular Session restructured the department; the Workforce Development and Training Fund and the Economic Development Award Program Fund were eliminated and subsequently merged into the Louisiana Economic Development Fund. (Per R.S. 39:36B.(8), see table below for a listing of expenditures out of each statutory dedicated fund.)

	<b>ACTUAL</b>	<b>ACT 13</b>	<b>EXISTING</b>	<b>CONTINUATION</b>	<b>RECOMMENDED</b>	<b>RECOMMENDED</b>
	<b>2001-2002</b>	<b>2002-2003</b>	<b>2002-2003</b>	<b>2003-2004</b>	<b>2003-2004</b>	<b>OVER/(UNDER)</b>
						<b>EXISTING</b>
Louisiana Economic Development Fund	\$10,853,553	\$17,782,730	\$23,801,493	\$11,426,507	\$11,361,531	(\$12,439,962)
Workforce Development Fund	\$0	\$0	\$2,475,878	\$2,475,878	\$2,475,878	\$0
Economic Development Award Program	\$0	\$0	\$3,953,471	\$3,953,471	\$3,953,471	\$0

## MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$73,534	\$18,629,215	21	ACT 13 FISCAL YEAR 2002-2003
			BA-7 TRANSACTIONS:
(\$20,000)	(\$20,000)	0	Realignment of Program Expenditures
\$0	\$12,448,112	0	Carryforward BA-7
\$53,534	\$31,057,327	21	EXISTING OPERATING BUDGET - December 2, 2002
\$0	\$8,453	0	Annualization of FY 2002-2003 Classified State Employees Merit Increase
\$0	(\$10,650)	0	Non-Recurring Acquisitions & Major Repairs
\$0	(\$12,448,112)	0	Non-Recurring Carry Forwards
(\$14,530)	(\$14,530)	0	Other Adjustments - Reduction to Fund Retirement
\$0	(\$61,011)	(1)	Other Technical Adjustments - Transfer of (1) one IT Mgmt. Position to the Office of the Secretary
\$39,004	\$18,531,477	20	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$39,004	\$18,531,477	20	BASE EXECUTIVE BUDGET FISCAL YEAR 2003-2004
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$39,004	\$18,531,477	20	GRAND TOTAL RECOMMENDED

## **PROFESSIONAL SERVICES**

\$0 This program does not have funding for Professional Services for Fiscal Year 2003-2004.

**\$0 TOTAL PROFESSIONAL SERVICES**

**OTHER CHARGES**

\$5,000	Special Marketing - Funds used for meetings with prospects, group activities, special events, and activities to promote economic activity and stimulate interest in Louisiana as a business location.
\$80,000	Enterprise Zone Technical Assistance - To provide funding for the local Planning Districts which are responsible for providing information to local officials, businesses and the general public on the Enterprise Zone Program as well as other business incentive programs. The Districts also provide Enterprise Zone maps to the Department, businesses and general public.
\$28,450	Funding to provide CPA Audit Services
\$2,500,000	Workforce Development and Training Program - Funding to provide customized workforce training programs to existing and prospective Louisiana businesses by enhancing: competitiveness and productivity of Louisiana's workforce and business community, upgrading employee skills for new technologies or production processes, and assisting Louisiana businesses in promoting employment stability.
\$14,658,802	Financial Assistance - Louisiana Economic Development Corporation (LEDC) - To provide funding for: Louisiana Small Business Loan Program, Venture Capital Programs, Business and Industrial Development Corporation Programs (BIDCO), Micro Loan Program, and the Contract Loan Program and any other programs as approved by the Board of the LEDC. Also included is funding provided to miscellaneous loan related charges.
<b>\$17,272,252</b>	<b>SUB-TOTAL OTHER CHARGES</b>
	<b>Interagency Transfers:</b>
\$18,000	Office of State Mail - State Mail Services
\$15,000	Office of Telecommunication - State Telephone Services
\$1,500	LASERS - Miscellaneous-Meeting Room Facilities
<b>\$34,500</b>	<b>SUB-TOTAL INTERAGENCY TRANSFERS</b>
<b>\$17,306,752</b>	<b>TOTAL OTHER CHARGES</b>

## **ACQUISITIONS AND MAJOR REPAIRS**

\$0 This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2003-2004.

**\$0 TOTAL ACQUISITIONS AND MAJOR REPAIRS**